

Article - Insurance

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§15–2019.

(a) A pharmacy services administrative organization may not:

(1) misrepresent pertinent facts or policy provisions that relate to an issue in a dispute or an appeal of a decision regarding a dispute;

(2) refuse to pay or reimburse an independent pharmacy for an arbitrary or capricious reason based on all available information;

(3) fail to settle a dispute promptly whenever liability is reasonably clear under one part of a policy or contract, in order to influence settlements under other parts of the policy or contract;

(4) fail to act in good faith; or

(5) engage in any activity that is a prohibited activity for a pharmacy benefits manager under Subtitle 16 of this title or a regulation adopted under Subtitle 16 of this title.

(b) If the Commissioner determines that a pharmacy services administrative organization has violated any provision of this subtitle or any regulation adopted under this subtitle, the Commissioner may issue an order that requires a pharmacy services administrative organization to:

(1) cease and desist from the identified violation and further similar violations;

(2) take specific affirmative action to correct the violation;

(3) make restitution of money, property, and other assets to a person that has suffered financial injury because of the violation; or

(4) pay a fine in the amount determined by the Commissioner.

(c) (1) An order of the Commissioner issued under this section may be served on a pharmacy services administrative organization that is registered under § 15–2002 of this subtitle in the manner provided in § 2–204 of this article.

(2) An order of the Commissioner issued under this section may be served on a pharmacy services administrative organization that is not registered under § 15–2002 of this subtitle in the manner provided in § 4–206 or § 4–207 of this article for service on an unauthorized insurer that does an act of insurance business in the State.

(3) A request for a hearing on any order issued under this section does not stay that portion of the order that requires the pharmacy services administrative organization to cease and desist from the conduct identified in the order.

(4) The Commissioner may file a petition in the circuit court of any county to enforce an order issued under this section, whether or not a hearing has been requested or, if requested, whether or not a hearing has been held.

(5) If the Commissioner prevails in an action brought under this section, the Commissioner may recover, for the use of the State, reasonable attorney's fees and the costs of the action.

(d) In addition to any other enforcement action taken by the Commissioner under this section, the Commissioner may impose a civil penalty not exceeding \$10,000 for each violation of this subtitle.

(e) The Commissioner may adopt regulations:

(1) to carry out this section; and

(2) to establish a complaint process to address grievances and appeals brought in accordance with this section.

(f) This section does not limit any other regulatory authority of the Commissioner under this article.

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